GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:3847
ANSWERED ON:13.12.2002
TAX CONCESS TO WOOD PARTICLE BOARD
SUSHIL KUMAR SAMBHAJIRAO SHINDE

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether there is a policy decision to grant tax concessions to wood particle boards which are eco-friendly; and

(b) if so, the comparative tax concessions in respect of excises were given for particle boards vis-Ã -vis wood and other boards in 1999-2000, 2000-2001 and 2001-2002 and the current year?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE & CO. AFFAIRS (SHRI GINGEE N. RAMACHANDRAN)

(a) and (b): There is no policy decision to grant tax concessions to wood particle boards which are eco-friendly. However, 100% wood free plain or pre-laminated particle or fibreboard, made from sugarcane bagasse or other agro-waste is exempt from central excise duty. Other particle and fibreboards of wood or other ligneous materials attracted a central excise duty of 8% during 1999-2000 and 16% during 2000-2001, 2001-2002 and the current year. All particle and fibre boards are eligible for exemption under the general Small Scale Exemption Scheme.